

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NOS. 858 & 868**  
**93RD GENERAL ASSEMBLY**

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Reported from the Committee on Health Care Policy May 8, 2006 with recommendation that House Committee Substitute for Senate Committee Substitute for Senate Bill Nos. 858 & 868 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

4455L.06C

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**AN ACT**

To amend chapter 191, RSMo, by adding thereto three new sections relating to healthcare information technology, with an emergency clause.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 191, RSMo, is amended by adding thereto three new sections, to be known as sections 191.990, 191.995, and 1, to read as follows:

**191.990. 1. There is hereby created in the state treasury the "Healthcare Technology Fund" which shall consist of all gifts, donations, transfers, moneys appropriated by the general assembly, and bequests to the fund. The state treasurer shall be custodian of the fund and shall approve disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo. The fund shall be administered by the department of social services in accordance with the recommendations of the Missouri healthcare information technology commission unless otherwise specified by the general assembly and moneys in the fund shall be distributed in accordance with specific appropriation by the general assembly. The director of the department of social services shall submit his or her recommendations for the disbursement of the funds to the governor and general assembly. The fund shall be created no later than July 1, 2006, provided however, that if the effective date of this act is after July 1, 2006, then the fund shall be created no later than such effective date.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

2. Subject to the recommendations of the Missouri healthcare information technology commission under section 191.995 and subsection 1 of this section, moneys in the fund shall be used to promote technological advances to improve patient care, decrease administrative burdens, and increase patient and healthcare provider satisfaction. Such programs or improvements on technology shall include encouragement and implementation of technologies intended to improve the safety, quality, and costs of healthcare services in the state including, but not limited to, the following:

- (1) Electronic medical records;
- (2) Community health records;
- (3) Personal health records;
- (4) E-prescribing;
- (5) Telemedicine; and
- (6) Telemonitoring.

3. It is hereby declared to be the policy of the state of Missouri that funds from the healthcare technology fund shall not be expended for political purposes and shall not be expended to the financial benefit of any elected public official or any state employee who has direct decision-making or administrative authority over disbursements from the fund. No moneys in the healthcare technology fund shall be appropriated or expended for products or services provided by any business or corporation:

(1) At least one-half of one percent of which is beneficially owned by any elected public official or any state employee who has direct decision-making or administrative authority over disbursements from the fund;

(2) Which has a director who is an elected public official or any state employee who has direct decision-making or administrative authority over disbursements from the fund; or

(3) Which has an executive officer or executive manager who is an elected public official or any state employee who has direct decision-making or administrative authority over disbursements from the fund.

4. For purposes of this section, the following terms shall have the following meanings:

(1) "Elected public official or any state employee", means a person who holds an elected public office in a municipality, a county government, a state government, or the federal government, or any state employee, and the spouse of either such person, and any relative within one degree of consanguinity or affinity of either such person;

(2) "Executive officer or executive manager", means any person who is a chairman, vice chairman, chief executive officer, chief financial officer, other chief officer, president,

50 any level of vice president, or any other officer or manager who has executive level  
51 management duties and reports directly to the directors or to any chairman, chief officer  
52 or president of the business or corporation.

53 5. Any amounts appropriated or expended from the healthcare technology fund in  
54 violation of this section shall be remitted by the payee to the fund with interest paid at the  
55 rate of one percent per month. The attorney general is authorized to take all necessary  
56 action to enforce the provisions of this section, including, but not limited to, obtaining an  
57 order for injunction from a court of competent jurisdiction to stop payments from being  
58 made from the fund in violation of this section.

59 6. At least twenty-five percent of the funds annually disbursed shall be dedicated  
60 to technological upgrades and promotion of technological advances in accordance with  
61 subsection 2 of this section in medically under-served communities and populations.

62 7. Any moneys remaining in the fund at the end of the biennium shall revert to the  
63 credit of the general revenue fund, except for moneys that were gifts, donations, or  
64 bequests.

65 8. The state treasurer shall invest moneys in the fund in the same manner as other  
66 funds are invested. Any interest and moneys earned on such investments shall be credited  
67 to the fund.

68 9. The department of social services shall promulgate rules setting forth the  
69 procedures and methods of implementing the provisions of this section. Any rule or  
70 portion of a rule, as that term is defined in section 536.010, RSMo, that is created under  
71 the authority delegated in this section shall become effective only if it complies with and  
72 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,  
73 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers  
74 vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the  
75 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
76 then the grant of rulemaking authority and any rule proposed or adopted after the  
77 effective date of this section shall be invalid and void.

191.995. 1. There is hereby established the "Missouri Healthcare Technology  
2 Commission" which shall develop and report upon recommendations to be delivered to the  
3 governor and general assembly relating to the expenditure of funds appropriated to the  
4 healthcare technology fund established under section 191.990.

5 2. The commission shall consist of sixteen members. Six members shall be members  
6 of the general assembly, including three members of the senate, with two such members  
7 appointed by the president pro tem of the senate and one member appointed by the  
8 minority leader of the senate, and three members of the house of representatives, with two

9 such members appointed by the speaker of the house of representatives and one member  
10 appointed by the minority leader of the house. Ten members shall be appointed by the  
11 governor, with at least one member to be selected from each congressional district in  
12 Missouri, provided that one member shall be a physician licensed in Missouri, one member  
13 shall be an officer or chief executive of a hospital providing services to low-income  
14 Missourians in a rural underserved area, and one member shall be an owner of a minority  
15 business that provides healthcare related services within Missouri.

16 3. The members of the commission shall elect from within their membership one  
17 member to serve as chair. The commission shall meet at the call of the chair and the chair  
18 shall call the first meeting immediately upon the effective date of this section.

19 4. Members of the commission shall receive no compensation for their service on  
20 the commission.

21 5. The commission assigned for administrative purposes to the department of  
22 health and senior services. The director of the department shall assist the commission as  
23 necessary and shall make available any staff as the commission may require from time to  
24 time.

25 6. Recommendations from the commission shall include an analysis and review,  
26 including but not limited to the following:

27 (1) Reviewing the current status of healthcare information technology adoption by  
28 the healthcare delivery system in Missouri;

29 (2) Addressing the potential technical, scientific, economic, security, privacy, and  
30 other issues related to the adoption of interoperable healthcare information technology in  
31 Missouri;

32 (3) Evaluating the cost of using interoperable healthcare information technology  
33 by the healthcare delivery system in Missouri;

34 (4) Identifying private resources and public/private partnerships to fund efforts to  
35 adopt interoperable healthcare information technology;

36 (5) Exploring the use of telemedicine as a vehicle to improve healthcare access to  
37 Missourians;

38 (6) Identifying methods and requirements for ensuring that not less than ten  
39 percent of appropriations within a single fiscal year shall be directed toward the purpose  
40 of expanding and developing minority owned businesses that deliver technological  
41 enhancements to healthcare delivery systems and networks;

42 (7) Developing requirements to be recommended to the general assembly that  
43 ensure not more than twenty-five percent of appropriations from the healthcare technology  
44 fund in any fiscal year shall be contractually awarded to a single entity;

45           **(8) Developing requirements to be recommended to the general assembly that**  
46 **ensure the number of contractual awards provided from the healthcare technology fund**  
47 **shall not be fewer than the number of congressional districts within Missouri; and**

48           **(9) Recommending best practices or policies for state government and private**  
49 **entities to promote the adoption of interoperable healthcare information technology by the**  
50 **Missouri healthcare delivery system.**

51           **7. The commission shall make and report its recommendations to the governor and**  
52 **general assembly on or before January 1, 2007.**

53           **8. This section shall expire on April 15, 2007.**

**Section 1. 1. No employer shall require an employee to have personal identification**  
2 **microchip technology implanted into the employee as a condition of employment.**

3           **2. For purposes of this section, "personal identification microchip technology"**  
4 **means surgically implanted tamper-proof microchip technology that contains a unique**  
5 **identification number and personal information that can be noninvasively retrieved and**  
6 **transmitted with an external scanning device which utilizes radio frequency energy to**  
7 **activate the microchip and emit a radio frequency signal containing the identification**  
8 **number and data.**

9           **3. Any employer who violates this section is guilty of a class A misdemeanor.**

**Section B. Because of the need to address the pending funding crisis of the state's public**  
2 **assistance healthcare delivery system, section A of this act is deemed necessary for the**  
3 **immediate preservation of the public health, welfare, peace and safety, and is hereby declared**  
4 **to be an emergency act within the meaning of the constitution, and section A of this act shall be**  
5 **in full force and effect upon its passage and approval.**

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